3510-DS-P

#### **DEPARTMENT OF COMMERCE**

**International Trade Administration** 

[A-357-824]

Oil Country Tubular Goods from Argentina: Final Affirmative Determination of Sales at

Less Than Fair Value and Final Negative Determination of Critical Circumstances

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce.

**SUMMARY:** The U.S. Department of Commerce (Commerce) determines that imports of oil country tubular goods (OCTG) from Argentina are being, or are likely to be, sold in the United States at less than fair value (LTFV) during the period of investigation, October 1, 2020, through September 30, 2021.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. **FOR FURTHER INFORMATION CONTACT:** Dmitry Vladimirov, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0665.

## **SUPPLEMENTARY INFORMATION:**

## Background

On May 11, 2022, Commerce published in the *Federal Register* its preliminary affirmative determination in the LTFV investigation of OCTG from Argentina, in which it also postponed the final determination until September 23, 2022.<sup>1</sup> We invited interested parties to comment on the *Preliminary Determination*. A summary of the events that occurred since

<sup>&</sup>lt;sup>1</sup> See Oil Country Tubular Goods from Argentina: Preliminary Affirmative Determinations of Sales at Less Than Fair Value and Critical Circumstances, Postponement of Final Determination, and Extension of Provisional Measures, 87 FR 28801 (May 11, 2022) (Preliminary Determination), and accompanying Preliminary Decision Memorandum.

Commerce published the *Preliminary Determination* may be found in the Issues and Decision Memorandum.<sup>2</sup>

# Scope of the Investigation

The product covered by this investigation is OCTG from Argentina. For a complete description of the scope of this investigation, *see* appendix I.

# Analysis of Comments Received

All issues raised in the case and rebuttal briefs that were submitted by parties in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is attached to this notice at appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <a href="https://access.trade.gov">https://access.trade.gov</a>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <a href="https://access.trade.gov/public/FRNoticesListLayout.aspx">https://access.trade.gov/public/FRNoticesListLayout.aspx</a>.

#### Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, in June 2022, we took additional steps in lieu of on-site verifications to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act). Specifically, Commerce performed virtual verifications of the cost of production response, home market and U.S. sales responses, as well as a further-manufacturing cost response.<sup>3</sup>

<sup>&</sup>lt;sup>2</sup> See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Oil Country Tubular Goods from Argentina, and Final Negative Determination of Critical Circumstances," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>&</sup>lt;sup>3</sup> See Memoranda, "Verification of the Sales Questionnaire Response of Siderca S.A.I.C. in the Less-Than-Fair-Value Investigation of Oil Country Tubular Goods from Argentina," dated June 30 2022; "Verification of the Sales Questionnaire Response of Tenaris Global Services (U.S.A.) Corporation in the Less-Than-Fair-Value Investigation of Oil Country Tubular Goods from Argentina," dated June 30, 2022; "Virtual Verification of the Further Manufacturing Cost Response of Siderca S.A.I.C. in the Antidumping Duty Investigation of Oil Country Tubular

#### Changes Since the *Preliminary Determination*

Based on our analysis of the comments received, we made certain changes to the margin calculations for this final determination. For a discussion of these changes, *see* the "Changes from the Preliminary Determination" section of the Issues and Decision Memorandum.

#### All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act (*i.e.*, facts otherwise available). Commerce calculated an individual estimated weighted-average dumping margin for Siderca S.A.I.C. (Siderca), the only individually examined producer or exporter in this investigation. Because the only individually calculated estimated weighted-average dumping margin is not zero, *de minimis*, or based entirely on facts otherwise available, the estimated weighted-average dumping margin calculated for all other producers and/or exporters is equal to the estimated weighted-average dumping margin calculated for the single examined respondent, Siderca, pursuant to section 735(c)(5)(A) of the Act.

## Final Negative Determination of Critical Circumstances

In accordance with section 735(a)(3) of the Act and 19 CFR 351.206(h), Commerce finds that critical circumstances do not exist for all companies in Argentina. For a full description of the methodology and results of Commerce's critical circumstances analysis, *see* the "Final Negative Determination of Critical Circumstances" section of the Issues and Decision Memorandum.

#### Final Determination

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Goods from Argentina," dated July 28, 2022; and "Virtual Verification of the Cost of Manufacturing Response of Siderca S.A.I.C. in the Antidumping Duty Investigation of Oil Country Tubular Goods from Argentina," dated July 28, 2022.

The final estimated weighted-average dumping margins are as follows:

<b>Exporter or Producer</b>	Estimated Weighted-Average Dumping Margin (percent)
Siderca S.A.I.C.	78.30
All Others	78.30

#### Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

## Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, Commerce will instruct U.S.

Customs and Border Protection (CBP) to continue the suspension of liquidation of all appropriate entries of subject merchandise, as described in appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after May 11, 2022, the date of publication of the *Preliminary Determination* in this investigation in the *Federal Register*. These suspension of liquidation instructions will remain in effect until further notice.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), we will instruct CBP to require a cash deposit for estimated antidumping duties for such entries as follows: (1) the cash deposit rate for the companies listed above will be equal to the respondent-specific estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not a company identified above but the producer is identified above, then the cash deposit rate will be equal to the respondent-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all

other producers and exporters will be equal to the all-others estimated weighted-average dumping margin.

As noted above, Commerce finds that critical circumstances do not exist for imports of OCTG from Argentina produced and exported by all companies. In accordance with section 735(c)(3) of the Act, Commerce will instruct CBP to terminate any retroactive suspension of liquidation required under section 733(e)(2) of the Act, and release any bond or other security, and refund any cash deposit required, under section 733(d)(1)(B) of the Act, with respect to entries of the merchandise the liquidation of which was suspended retroactively under section 733(e)(2) of the Act before May 11, 2022.

# U.S. International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because Commerce's final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of OCTG no later than 45 days after this final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits posted will be refunded and suspension of liquidation will be lifted. If the ITC determines that such injury does exist, Commerce will issue an antidumping order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the "Suspension of Liquidation" section.

#### Administrative Protective Order

This notice will serve as a final reminder to the parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary

information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written

notification of the return or destruction of APO materials or conversion to judicial protective

order is hereby requested. Failure to comply with the regulations and terms of an APO is a

sanctionable violation.

Notification to Interested Parties

This determination and this notice are issued and published pursuant to sections 735(d)

and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: September 23, 2022.

Lisa W. Wang,

Assistant Secretary for Enforcement and Compliance.

## Appendix I

# **Scope of the Investigation**

The merchandise covered by this investigation is certain OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than case iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (e.g., whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of this investigation also covers OCTG coupling stock.

Subject merchandise includes material matching the above description that has been finished, packaged, or otherwise processed in a third country, including by performing any heat treatment, cutting, upsetting, threading, coupling, or any other finishing, packaging, or processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the OCTG.

Excluded from the scope of the investigation are: casing, tubing, or coupling stock containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.

The merchandise subject to this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160,7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150.

The merchandise subject to this investigation may also enter under the following HTSUS item numbers: 7304.39.0024, 7304.39.0028, 7304.39.0032, 7304.39.0036, 7304.39.0040, 7304.39.0044, 7304.39.0048, 7304.39.0052, 7304.39.0056, 7304.39.0062, 7304.39.0068, 7304.39.0072, 7304.39.0076, 7304.39.0080, 7304.59.6000, 7304.59.8015, 7304.59.8020, 7304.59.8025, 7304.59.8030, 7304.59.8035, 7304.59.8040, 7304.59.8045, 7304.59.8050, 7304.59.8055, 7304.59.8060, 7304.59.8065, 7304.59.8070, 7304.59.8080, 7305.31.4000, 7305.31.6090, 7306.30.5055, 7306.30.5090, 7306.50.5050, and 7306.50.5070.

The HTSUS subheadings and specifications above are provided for convenience and customs purposes only. The written description of the scope of this investigation is dispositive.

# **Appendix II**

# List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Changes from the Preliminary Determination
- IV. Final Negative Determination of Critical Circumstances
- V. Discussion of the Issues
  - Comment 1: Constructed Export Price (CEP) Offset
  - Comment 2: Third-Country Indirect Selling Expenses (ISE)
  - Comment 3: Research and Development (R&D) Expenses for Further Manufacturing

Costs

VI. Recommendation

[FR Doc. 2022-21184 Filed: 9/28/2022 8:45 am; Publication Date: 9/29/2022]